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**LAC-IEE-07-16**

**ENVIRONMENTAL THRESHOLD DECISION**

**Activity Location:** Central America Regional: Dominican Republic, Guatemala, Honduras, El Salvador, Nicaragua and Costa Rica

**Activity Title:** Promoting Incentives and Cooperative Conservation and Natural Resource Law Enforcement in CAFTA-DR Countries

**Activity Number:** AEG-T-00-06-00003-03

**Life-of-Activity Funding:** \$300,000

**Life-of-Activity:** 29 March 2007 - 30 September 2009

**IEE prepared by:** John Garrison, LAC/RSD

**Reference ETDs:** NA

**Recommended Threshold Decision:** Categorical Exclusion,

**Bureau Threshold Decision:** Concur with Recommendation

**Comments:**

A **Categorical Exclusion** is issued to "Promoting Incentives and Cooperative Conservation and Natural Resource Law Enforcement in CAFTA-DR Countries" activity involving education, technical assistance, training, workshops, meetings, document transfers, and development planning pursuant to 22 CFR 216.2 (c)(2):

- (i) Education, technical assistance and training (216.2(c)(2)(i));
- (iii) Analyses, studies, and workshops (216.2(c)(2)(iii));

- (v) Document and information transfer (216.2(c)(2)(v)); and
- (xiv) Activities that will develop the capability of recipient countries to engage in development planning.

Conditions also include:

Amendments

- Amendments to Initial Environmental Examinations (IEE) or Request for Categorical Exclusion (RCE) shall be submitted for LAC Bureau Environmental Officer (BEO) approval for any activities not specifically covered in the IEE or RCE, which include:
  - Funding level increase beyond ETD amount,
  - Time period extension beyond ETD dates (even for no cost extension), or
  - A change in the scope of work, such as the use of pesticides or activities subject to Foreign Assistance Act sections 118 and 119 (e.g. procurement of logging equipment, introduction of exotic species), among others.
- Amendments to IEEs that include Environmental Assessments (EA) and approval of these documents by the LAC BEO could require an annual evaluation for environmental compliance.
- Amendments are also required for the use or procurement of pesticides and require approval by the LAC BEO. Approval is valid only for the pesticides evaluated; use of additional pesticides would require another amendment to the IEE.

Victor H. Bullen Date 13 Apr 2007

Victor H. Bullen  
Bureau Environmental Officer  
Bureau for Latin America & the Caribbean

Copy to:

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Jerry Bisson, LAC/RSD  
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Ellen Leddy, LAC/CAM  
Dan Riley, LAC/CAR

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IEE File

**Attachments:**

- Initial Environmental Examination

File: P:\LAC.RSD.PUB\RSDPUB\EES\Reg 216\IEE\IEE07\LAC-IEE-07-16 CE (LAC  
– CAFTA-DR Natural Resource Law Enforcement, DOI).doc



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**Request for Categorical Exclusion**

**Activity Location:** Central America Regional: Dominican Republic, Guatemala, Honduras, El Salvador, Nicaragua and Costa Rica

**Activity Title:** Promoting Incentives and Cooperative Conservation and Natural Resource Law Enforcement in CAFTA-DR Countries

**Activity Number:** AEG-T-00-06-00003-03 Program and Natural Resources Assistance

**Life-of-Activity Funding:** \$300,000

**Life-of-Activity:** March 29, 2007 to September 30, 2009

**Reference Threshold Decision:** NA

**IEE Prepared by:** John Garrison, USAID/LAC RSD Environment

**Date Prepared:** March 29, 2007

**Recommended Threshold Decision:** Categorical Exclusion

**1. BACKGROUND AND ACTIVITY DESCRIPTION**

The CAFTA-DR Parties signed the Environmental Cooperation Agreement (“ECA”) February 18, 2005. The ECA’s main objective is to “cooperate to protect, improve, and conserve the environment, including natural resources.” To implement the ECA, parties subsequently negotiated a work plan which seeks to improve the effective implementation and enforcement of environmental laws, support biodiversity and conservation, and help improve private sector environmental performance. In FY 2006, State allocated \$18.5 million to support the ECA work plan and allotted \$300,000 to the U.S. Department of Interior (DOI), to be implemented through USAID EGAT’s existing PAPA with DOI, to increase the capacity of CAFTA-DR countries to (1) adopt incentive-based tools, market-based instruments, and creative partnerships to improve



conservation and environmental management, and (2) to effectively enforce natural resource conservation laws at the local, national, and regional level.

The DOI activities support the following sections of the ECA work plan:

- 1.1.3: Strengthen the capacity of authorities in charge of environmental protection, natural resource protection and pollution control and prevention.
- 1.3.3: Develop programs and projects to provide economic instruments to protect wildlife at the regional and national levels.
- 2.1.3: Promote mechanisms that facilitate voluntary actions to protect and improve the environment.
- 3.1.3: Promote the development of public-private partnerships to facilitate the transfer and adoption of cleaner production technologies and to promote new approaches to improve environmental performance of production and trade in goods and services in the Region.

#### **A. Law Enforcement to Protect Natural Resources**

Illegal activities taking place within Central America's protected areas threaten not only biodiversity but also the potential for income generation in and around the protected areas. These threats cannot be effectively addressed unless efforts involve national and local-level stakeholders. National laws provide guidance on overall national policies, processes, and procedures on the use of natural resources. These laws set the rules for enforcing regulations including the range of penalties that may be imposed. This complex national environmental legal framework is best enforced with the active participation of local government units, communities, and nongovernmental organizations as, for the most part, enforcement occurs at the local level.

Lack of qualified personnel, logistics and budget all contribute to make natural resource law enforcement challenging in most of the CAFTA-DR countries. The growing sophistication of violations, the intricacies involved in prosecution, and the short-term personal economic gains attributed to such activities as illegal logging and illegal fishing make it difficult for enforcers to be effective. Most environmental enforcers have the basic technical competency to apprehend and prosecute violators, but they are few in number and are not supported by effective planning, legislation and regulation, monitoring and evaluation, information management, education and outreach, networking and alliance building. Enforcers have often conflicting and overlapping mandates and authorities. They are fragmented operationally as they overlap jurisdictionally. Confusion and competition exists due to lack of linkages and shared information among concerned institutions.

The U.S. Department of the Interior's International Technical Assistance Program (DOI-ITAP) has worked extensively on natural resource law enforcement issues in Guatemala and Honduras. This project will build on this body of experience to strengthen ongoing cooperation efforts in these two countries, and extend technical assistance to the other CAFTA-DR countries that show a strong willingness to address such issues.

The objective of this two-year program is to increase the capacity of local and national environmental law enforcement bodies in the CAFTA-DR countries to:

- Improve the technical capacity to implement activities related to enforcement of natural resource conservation laws at the local, national, and regional levels;
- Improve mechanisms for national and regional collaboration on natural resource conservation law enforcement; and
- Support the sharing and exchange of lessons and best practices in natural resource conservation law enforcement among national, regional, and international partners.

Specifically, DOI-ITAP training and technical assistance activities will include, among others, legal and policy reforms and training on improved enforcement techniques and strengthened procedures for documenting apprehensions and monitoring that may include police personnel and other law enforcement bodies. DOI will also engage in local level interventions to increase capacity to enforce natural resource conservation laws through training, technical assistance, and on the job mentoring activities in high priority geographical areas.

At the outset of the project, DOI will visit all six of the CAFTA-DR countries to assess the needs and priorities of government counterpart agencies and other partners (1) in the use of incentive-based tools, market-based instruments, and creative partnerships for conservation and recreation; and (2) in natural resource conservation law enforcement. Following the assessment, DOI will select two countries in which to work on cooperative conservation and three countries in which it will strengthen natural resource law enforcement. Additional countries will be added, subject to the availability of funds.

#### **B. Incentive-based tools, Market-based Instruments and Public-Private Conservation Partnerships**

The use of a variety of incentive-based tools and market-based instruments to achieve environmental, recreational, cultural and economic objectives in the conservation of natural and cultural resources is showing increasing success in the United States and abroad. Similarly, the development of creative partnerships to achieve conservation has been found to be a practical and viable strategy for protecting the resource base.

Based on its experience in the U.S. and around the globe, the U.S. Department of Interior (DOI) will provide technical assistance to increase the capacity of national and local natural resource management and conservation bodies in the CAFTA-DR countries to use incentive-based tools, market-based instruments, and creative partnerships to achieve their environmental, recreational, cultural and economic objectives in conservation in national parks and protected areas. DOI will help local government counterparts develop guidelines, protocols, procedures and strategies for developing public-private partnerships and management strategies to support conservation of national and local natural and cultural resources and develop and implement sustainable, resource-based income-generating activities.

## **2. JUSTIFICATION FOR CATEGORICAL EXCLUSION REQUEST**



The activities envisioned under this program primarily involve capacity building, planning and training to improve and strengthen existing laws, legal frameworks, policies, regulations, and develop guidelines for park and protected area management. Because these activities will not have an effect on the natural or physical environment, an Initial Environmental Examination, Environmental Assessment and Environmental Impact Statement are not required.


The above activities qualify for a Categorical Exclusion pursuant to 22 CFR §216.2(c)(2)

- (i) Education, technical assistance and training (216.2(c)(2)(i));
- (iii) Analyses, studies, and workshops (216.2(c)(2)(iii));
- (v) Document and information transfer (216.2(c)(2)(v)); and
- (xiv) Activities that will develop the capability of recipient countries to engage in development planning.

As currently planned, no interventions will directly affect the environment. If during implementation, activities are considered under this project that are outside the above framework, activities other than those described in the subject Categorical Exclusions, and that may directly affect the environment (such as construction or rehabilitation of facilities), an amended (supplemental) IEE or Request for Categorical Exclusion shall be submitted, as appropriate.

Approval: \_\_\_\_\_  
 Roberta Mahoney  
 USAID/LAC RSD Director  
 appropriate.

Date: \_\_\_\_\_

Approval:   
 Roberta Mahoney  
 USAID/LAC RSD Director

Date: April 12, 2007



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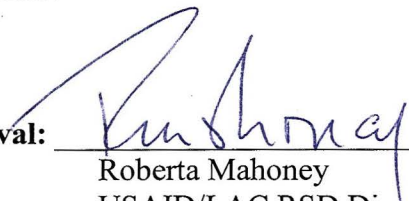
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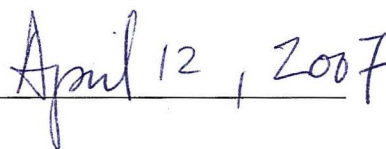
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Approval: \_\_\_\_\_

  
Roberta Mahoney  
USAID/LAC RSD Director

Date: \_\_\_\_\_

  
April 12, 2007



**Clearance Page:**

LAC/RSD/E Team leader: JBisson

JB Date: 4/11/07

LAC/RSD/E Environment Specialist: JGarrison

JLG Date: 4/11/07

EGAT/NRM CTO: RHillbruner

RH Date: 4-11-07

File: RSDPUB/EES/CAFTA 2006 Labor and Environment/USAID Country and Mission  
Docs/DOI/DOI CAFTA-DR Env. Capacity Building March 2007 CatEx.doc.